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COUNTRY AND REGIONAL PROGRAMMES AND PROJECTS

Regional Programme for the Arab States 1983-1986

Summary

This document is the first regional programme for the Arab States to be presented to the Governing Council of UNDP. At the time the regional programme for the second cycle was prepared, the Arab States were part of the Regional Bureau for Europe, the Mediterranean and the Middle East.

This document is the result of consultations with the Governments, intergovernmental organizations, United Nations economic commissions and the United Nations executing agencies, which culminated in the intergovernmental meeting for the Arab States regional programme 1983-1986, held in Riyadh, Saudi Arabia, 18-20 January 1983. The present programme's priorities, which reflect the views of the Governments which participated in the meeting, are the following: food security; development of human resources; energy; industrialization; transport and communication; promotion of social, cultural, environmental and health programmes; and the development of regional institutional capabilities. The regional programme for 1983-1986 is submitted to the Council for its consideration.

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INTRODUCTION

1. In accordance with General Assembly resolution 2688 (XXV), the programming of intercountry assistance should be based broadly on the same general principles set out for country programming, namely, it should be systematically related to the development priorities of the countries concerned and as far as possible planned in advance over a period of years.
2. In its decision 80/9, the Governing Council of UNDP, as called for in General Assembly resolution 34/206 of 19 December 1979, adopted changes in the regional programming process aimed mainly at enhancing the collective involvement of the Governments concerned and the economic commissions in the final determination of priorities.
3. UNDP intercountry activities in the Arab States region should be viewed within the context of two distinct periods. During the first period, which included the programming cycle (1972-1976) and the first year (1977) of the second cycle (1977-1981), intercountry activities for the Arab States were part of the regional programme for Europe, the Mediterranean and the Middle East. The second period commenced with the establishment, on 1 January 1978, of the Regional Bureau for Arab States. Separate resources for intercountry activities were allocated to the Arab States region for 1977-1981. The present programme, covering the period 1983-1986 is the first regional programme designed exclusively for the Arab States.
4. The present document sets out the views of UNDP on the strategy and on the priority actions for the 1983-1986 regional programme for the Arab States. These views and priorities are based on recommendations and decisions taken at important Arab, African, and international meetings including the Eleventh Arab Summit Conference in Amman, Jordan, in 1980; the Second Extraordinary Summit of the Assembly of Heads of State and Government of the Organization of African Unity (OAU) in Lagos, Nigeria, in 1980; the Symposium on the Arab World in the Year 2000, organized by UNDP in Tangier, Morocco, in 1980; the Arab Regional Meeting on Technical Co-operation among Developing Countries, jointly organized by UNDP, the Economic Commission for Western Asia (ECWA) and the Economic Commission for Africa (ECA), in Geneva, Switzerland, in 1980 with the active participation of Arab Governments and regional intergovernmental bodies; and also on General Assembly resolutions pertaining to the new international economic order and to global priorities, various resolutions adopted at regional meetings and sectoral programming consultations of the United Nations organizations and the subsidiary organs of the League of Arab States.
5. The preparation of the proposed regional programme for 1983-1986 also entailed discussions and reviews with Arab Governments, participating and executing agencies of the United Nations system, Arab intergovernmental institutions, United Nations regional economic commissions and UNDP resident representatives.

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6. Moreover, an important part of the exercise that preceded the preparation of the draft 1983-1986 regional programme involved a review of the 1977-1981 programme and ongoing regional activities in the Arab States.

7. The requirements of the Arab States in intercountry co-operation, as expressed in various recommendations and resolutions and as confirmed at the intergovernmental meeting for the Arab States held in Riyadh, Saudi Arabia, 18-20 January 1983, cover a wide spectrum of programmes and projects in such fields as food security; development of human resources; energy; industrialization; transport and communications; promotion of social, cultural, environmental and health programmes; development of regional institutional capabilities.

8. These needs exceed by far the means available to UNDP. It was, therefore, necessary to concentrate on a selected number of priority areas for the 1983-1986 regional programme. In this process, emphasis was placed on activities best suited to promote regional interaction and to strengthen comprehensive technical and economic intercountry co-operation. Planned and future intercountry activities funded by other multilateral and bilateral donors and linkages with the country, interregional and global programmes of UNDP were taken into account with a view to promoting co-ordination and complementarity of efforts. Due attention was also given to considerations such as ensuring proper subregional participation in the programme, strengthening the capabilities of intergovernmental institutions as essential instruments for a genuine and durable regional development, selecting activities geared to benefiting as large a number of participating countries as possible and placing special emphasis on assistance to least developed countries (LDCs) and on projects for the promotion of investment opportunities in various economic sectors.

9. Accordingly, the proposed regional programme for 1983-1986 concentrates on the following priority areas: agricultural development and food security; human resources development; strengthening of Arab development institutions; transport and communications. Given its modest volume, UNDP assistance will provide a catalytic input which would be supplemented by contributions from the recipient countries themselves through various means, including cost sharing, whenever possible.

10. While the proposed programme identifies a broad spectrum of priority areas, the selection of specific projects will be determined in co-operation with the participating Governments, the United Nations regional economic commissions, the agencies of the United Nations system, and the regional intergovernmental institutions, particularly the subsidiary organs of the League of Arab States. In preparing the proposed programme, UNDP endeavoured to identify the appropriate mix between ongoing and new activities, bearing in mind that projects should promote co-operation without necessarily

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perpetuating activities over long periods of time. A major criterion in the selection of new projects will be the contribution that they can make towards achieving regional integration and the enhancing of economic co-operation among the Arab States.

11. Project implementation will be carried out largely through the United Nations agencies and, where feasible, through joint co-operation between these agencies and regional institutions and specialized agencies of the League of Arab States.

12. This document, which was considered by the Arab States intergovernmental meeting in January 1983, is being submitted to the UNDP Governing Council for its consideration at its thirtieth session. Presentation of the programme to the Governing Council should be regarded as part of a continuous programming exercise, requiring continuous dialogue with the Governments and thus subject to reviews and adjustments as implementation progresses. The present document provides specific procedures which should allow continuous monitoring of programme implementation and ensure active participation by the recipient Governments.

I. THE SECOND CYCLE REGIONAL PROGRAMME (1977-1981)

A. Review of the activities

13. The second half of the 1970, which overlapped with the regional programme for the second cycle, was a unique and challenging period in contemporary Arab economic development. The period was characterized by awareness of the considerable potential for economic growth, due to substantial increases in income derived, inter alia, directly and indirectly, from oil, and by real limitations on self-sustaining socio-economic development as a result of persisting structural and manpower constraints.

14. In the aggregate, the volume of international trade expanded impressively and the size of investment in almost all sectors increased considerably, resulting in an appreciable expansion and modernization of the infrastructural networks including roads, civil aviation, telecommunications, water and electricity, and in improvements in and extension of health services, educational opportunities and social services. However, deficiencies in food and nutritional requirements persisted and widened, caused mainly by rising demand (due to population growth, urbanization and increased purchasing power) and by the sluggishness of the agricultural sector, which provides employment and livelihood to about 70 per cent of the Arab population.

15. In the human resources sphere, severe shortages of manpower prevailed in certain countries, while other parts of the Arab region experienced situations of surplus and/or under-utilization of their human resources. This resulted in intraregional migration and importation by some countries of sizable foreign personnel, including professionals, semi-skilled and skilled

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labourers. Movement in the opposite direction of some of the indigenous manpower of the region, both labourers and professionals, also took place.

16. Also during this period, the Arab States, in clear recognition of the vital importance of streamlining the development and restructuring processes, adopted a policy approach in favour of regional co-operation and integration, as a vehicle for strengthening individual national economies and for achieving collective self-reliance.

17. Within the prevailing context of Arab development, the second regional programme (DP/218, p. 16) was set to contribute towards achieving the following priorities:

(a) Increased production, reduced loss and improvement of distribution of food in the region, with a focus on traditional agriculture;

(b) Increased capacity in development financing and forming productive joint inter-Arab enterprises, and in deriving development benefits from external transnational enterprises; and

(c) Increased satisfaction of selected basic needs - housing, water supply and health care - stressing technological development and promotion from within the region.

18. In the same programme (DP/218), human resources development and related manpower issues figured prominently in the articulation of priority areas:

"Within each of these objectives, the highest priority will be placed upon rapidly developing the human resource skills necessary to attain and sustain such objectives. In particular, the existing role and participation of women in these areas will be accented."

19. The human resource considerations cited above were regarded as the pivots upon which the impact of programmes and projects would be placed and as criteria for assessing the effectiveness of such regional action.

20. The second regional programme, (1977-1981), was formulated in close co-operation with the agencies of the United Nations system, Governments and intergovernmental organizations. It was largely based on development objectives identified by these bodies within the general frame of reference of developmental concerns and priorities outlined in General Assembly resolutions, Governing Council decisions and other priorities of the Second United Nations Development Decade. Lessons learned from the implementation of the 1972-1976 programme, from annual reviews with the United Nations executing agencies and from regional and subregional conferences were useful inputs.

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21. The preceding account needs to be borne in mind when assessing the results of the regional programme for the second cycle. UNDP resources for regional projects during the cycle amounted to \$32.0 million; those allocations were further augmented by cost-sharing contributions from some member countries, and by third party cost sharing. The implementation rate varied from year to year and by the end of the second cycle, \$11.3 million remained available for programming into the third cycle.

22. In the first two years of the second cycle, the rate of implementation was high due to the continuation of activities from the first cycle; in the latter years, by contrast, implementation was affected by the re-orientation of pipeline projects in the aftermath of the restructuring of the former Bureau for Europe, the Mediterranean and the Middle East.

23. The years 1977-1981 were characterized by the establishment and active support of 105 regional projects in a variety of fields of vital concern to the Arab States. The experience gained has been highly instructive for further action in this sphere. In what follows a brief survey of the outcome of that period is given.

24. Apart from the objective of meeting basic needs, and the general domain of social infrastructure, the results obtained were, on the whole, in broad agreement with the objectives of the programme. Favourable performance was registered in the fields of agriculture and food security, human resources development, institution building and transport and communication. Table 1 below provides the percentage shares of the various categories of activities.

1. Agriculture

25. As a clearly defined single sector, agriculture was accorded a high priority in the second regional programme. Expenditures reached over \$5.8 million, representing about 26.2 per cent of the total 1977-1981 regional indicative planning figure (IPF) expenditures. Twenty-three projects became operational and 11 were continued from the first cycle, covering a wide range of pertinent sectoral activities, including improvement and production of field food crops, agricultural marketing and research, agricultural aspects of economic integration, desert locust survey and control, animal production, development of fisheries, water resources development and management, study tours in forestry, studies and surveys in arid zones and pasture management, improvement of olive production, aquaculture development, and development and strengthening of agricultural research.

Table 1

Regional Programme for the Arab States

SECTORAL DISTRIBUTION OF IPF EXPENDITURES (1977-1981)

Sector	Number of projects	Expenditures (Dollars)	Percentage
General development issues, policy and planning	28	7 901 299	35.4
Natural resources	14	1 062 999	4.7
Agriculture, forestry and fisheries	20	5 848 509	26.2
Industry	5	287 585	1.3
Transport and communications	10	3 263 521	14.7
International trade and development finance	9	1 087 954	4.9
Health	6	85 267	0.4
Education	3	1 977 203	8.8
Employment	3	63 204	0.3
Social conditions and equity	4	44 592	0.2
Culture	1	597 494	2.6
Science and technology	2	120 173	0.5
TOTAL	105	22 339 800	100.0

26. Furthermore, the agricultural sector received the highest cost-sharing contribution, nearly \$7.0 million or 63 per cent of all cost-sharing contributions. The fisheries subsector was the sole recipient of cost-sharing support, which was provided by the Gulf states and the Fund for International Development of the Organization of Petroleum Exporting Countries (OPEC). This made fisheries the single most important area of emphasis within the sector. The assistance was utilized to take stock of marine resources in the Gulf countries and in areas of the Red Sea and Gulf of Aden. For the agricultural

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sector in general, UNDP assistance facilitated the carrying out of marketing studies, creation of technical units and improvement of existing technical and administrative units, training of manpower through long-term, in-country training, study tours, seminars and symposia and also the development of specific recommendations relating to regional action in a number of areas of concern, including ways and means of combating desertification.

27. The participation of a large number of countries in the agricultural sector programme is an indication of the importance attached to agricultural development. On the other hand, follow-up activities carried out in this sector, including utilization of information emanating from the projects, were not always systematically planned. These lessons will guide future activities in this sector.

2. Strengthening of planning, financial and statistical institutions

28. Assistance was provided in these areas in recognition of the fact that institution building, through manpower development, is central to over-all economic and social development in the Arab region. Twenty-eight projects, valued at approximately \$8.0 million and representing 34.5 per cent of the amount expended during the second cycle (\$22.34 million), were channeled to activities in the general development, policy and planning sector, which comprised training, advisory and consultancy services in planning, finance, management, statistics and administrative sciences. The assistance provided to this sector was in consonance with the priority accorded to it in the regional programme.

29. Apart from the provision of training in the form of long-term training and advanced training towards masters and doctorates, a substantial number of short courses, seminars and symposia were offered to high- and middle-level professionals. Two national institutions, to which assistance was begun under the regional programme of the first cycle, were upgraded to regional institutions, namely, the Arab Institute for Economic and Social Planning in Kuwait and the Arab Institute for Training and Research in Statistics in Iraq.

30. Assistance was also provided to two intergovernmental organizations with a view to strengthening their capabilities in contributing towards the improvement of administrative systems and training methodologies in Arab and African countries. These organizations were the Arab Organization of Administrative Sciences (AOAS) and the African Training and Research Centre in Administration for Development (CAFRAD).

31. Most of the assistance in this sector was geared towards institution building. Manpower development activities received significant support within the various sectors as already indicated. In fact, taking the regional programme for the second cycle as a whole, training of all types was a component of approximately 45 projects, the largest number of projects allocated to any activity.

3. Transport and communication

32. UNDP contributed approximately \$3.2 million, nearly 15 per cent of the regional IPF, towards transport and communication projects. That sum was matched by an approximately equal amount under cost sharing. The activities related both to efforts directly aimed at facilitating physical integration of the Arab region and improving communication modes as well as to the training of manpower in this vital sector.

33. In the area of telecommunications, assistance concentrated on conducting feasibility studies and pre-investment surveys for the development of a telecommunications master plan linking the Arab region with Europe, Africa and Asia with a view to providing the region, at a reasonable unit cost, with reliable international telecommunication services, including television and broadcasting. Studies on international telex services and feasibility studies for implementation of two intercontinental submarine cable arteries, the upgrading of data on traffic and telecommunications statistics, the standardization of international signalling systems in the region and the training of manpower were also included in the master plan. The assistance involved co-operation with three States falling under the Africa Bureau, seven European States and nineteen Arab States. These activities will continue during the third cycle.

34. In the field of civil aviation, notable assistance was provided for the creation of the Civil Aviation Training College in Qatar, which will train manpower in air traffic control, meteorology and electronics. The assistance, which started under the first cycle in 1975, is continuing into the third cycle. The College is a going concern and arrangements are under way for enlarging participation in the project.

4. Social infrastructure

35. The bulk of assistance within this sector was devoted to education, which received close to \$2.0 million or 9 per cent of total expenditures. Health, improvement of social conditions, employment and cultural development received about \$0.8 million. No cost sharing was received for activities in this sector.

36. The scope for regional co-operation in human settlements, and particularly in regional physical planning, development of housing policies and low-cost building material, and informal education and eradication of illiteracy, improvement of employment conditions, workers' education, rural water supplies and rural health services, would require particular attention and co-operative efforts.

5. International trade

37. A modest contribution towards enhancing regional and interregional co-operation in trade was made during the 1977-1981 cycle. The

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assistance also aimed at co-operation among Arab States and other developing countries. Over \$1.0 million was devoted to the international trade sector, involving nine projects ranging from seminars and training to long-term advisers. The area covered by the assistance included foreign trade, multilateral trade negotiations, facilitation of trade and development, improvement of port operations, shipping management, trade with socialist countries of Eastern Europe and with developing countries, technical co-operation in trade promotion.

B. Experience acquired

38. The implementation of the regional programme for the second cycle was facilitated by some factors which will be stressed in the programme for the third cycle.

39. Experience has shown that, whenever participating countries were involved in project formulation, this resulted in well-designed projects and ensured adequacy of inputs and timeliness of implementation. It also ensured the active participation of the countries concerned in project monitoring.

40. Projects which were identified at an early stage of the programming exercise, and especially those emanating from intergovernmental decisions, received wider and more expeditious support from prospective participating countries than projects identified by a single country. Project formulation and approval were carried out over a shorter span of time in the case of project proposals which received greater support from Arab States. The application of UNDP monitoring and evaluation procedures, and the use of annual review meetings or co-ordination meetings by some agencies at their headquarters or in the region were helpful. They provided valuable opportunities to utilize the benefits obtained from the projects as well as to introduce corrective measures during the course of implementation.

41. From the resources side, it is to be noted that, in some instances, Government counterpart contributions in-kind were not provided on schedule, resulting in delay in implementation in and subsequent extensions beyond the original duration. Thorough review of participating Governments' resources in support of project activities would be useful, if undertaken at the formulation stage and if commitments were reflected in national development budgets. Likewise, cost-sharing contributions, which played an effective role in the second cycle, particularly in fisheries, telecommunications and civil aviation projects, could be confirmed beforehand and included in the development budgets. In fact, a few cost-sharing contributions are still outstanding and need to be settled, as otherwise the amounts will be charged to the national IPFs of the countries which pledged the cost sharing, or to the regional IPF, and in any case will cause a reduction of the resources.

42. Approval of projects under preparatory assistance proved to be a useful mechanism for laying the groundwork for full-scale assistance and for ensuring the wider participation of Arab States, the marshalling of resources, especially cost-sharing contributions, and the identification of counterparts and other national inputs necessary for carrying out project activities.

43. The strengthening of linkages between national and regional institutions, which did not materialize to the degree that had been hoped for in the second cycle, needs to be addressed during the third cycle.

44. While technical backstopping by United Nations system agencies has been satisfactory, there is a need for detailing the nature of backstopping in project documents to ensure its timeliness and to improve the quality of assistance. The quality of project inputs has been adequate, although avoidable delays in the recruitment of experts and consultants and the implementation of training have been experienced. The experience of successful projects with a high rate of timely delivery would indicate a lead time of about six months is useful for the delivery of inputs and implementation of training programmes.

45. The systematic preparation of the work plans and reports required of projects needs to be observed to keep the participating Governments, UNDP and the executing bodies informed of projects' plans and progress.

46. On the whole, Government implementing agencies assumed their responsibilities satisfactorily. However, communications were not as forthcoming as in situations where project co-ordinating authorities (bodies) existed. It is therefore essential that project co-ordinating authorities be identified and their institutional framework thoroughly examined, to ensure the efficient and timely co-ordination of project activities.

II. REGIONAL PROGRAMME FOR THE THIRD CYCLE

A. Preparation for the regional programme

47. The priorities of the regional programme for the third cycle address the present and prospective social and economic development conditions in the Arab world. They are in broad agreement with the conclusions and recommendations of recent regional intergovernmental and other regional forums, particularly the Eleventh Arab Summit Conference (Amman, 25-27 November 1980), the Second Extraordinary Summit of the Assembly of Heads of State and Government of OAU (Lagos, 28-29 April 1980), the Arab Regional Meeting on Technical Co-operation among Developing Countries (Geneva, 21-23 May 1980), the Symposium on the Arab World in the Year 2000 (Tangier, 5-8 May 1980) and the Intergovernmental Meeting for Arab States (Riyadh, 18-20 January 1983).

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48. Some of the most important recommendations considered in the preparation of the regional programme emanated from the Eleventh Arab Summit Conference. The Conference adopted a Charter for National Economic Action and a Strategy for Joint Arab Economic Action, which contained a comprehensive review of development priorities and the modalities for their achievement. The brief assessment of major issues in Arab development contained in this chapter draws heavily on these documents, as well as on the reports and substantive preparations of the meetings mentioned earlier.

49. The Lagos Plan of Action for Economic Development in Africa, 1980-2000, which was adopted by the African heads of state in the Second Extraordinary Summit organized by OAU in Lagos, Nigeria, from 28-29 April 1980, recommended priority areas for regional co-operation which are of relevance to the Arab States members of OAU.

50. The role which UNDP is assuming in contributing towards achieving certain priority goals in the Arab region is that of a catalyst. UNDP will utilize its vast experience in the region to assist in translating some of the regional priority goals into concrete projects.

51. Following the restructuring of the United Nations, new procedures for formulation of intercountry programmes were introduced, 1/ whereby emphasis was laid on the collective involvement of Governments in determining their regional priorities, in consultation with the regional economic commissions and the specialized agencies.

52. In preparation for the consultation process, the Regional Bureau for Arab States organized two meetings. The first of these was the Symposium on the Arab World in the Year 2000, held in Tangier in 1980. A preparatory meeting identified broad areas of the Symposium's concentration and four working papers were prepared by a group of consultants, under subcontract with the Arab Planning Institute in Kuwait.

53. At the Symposium, Arab planners and development specialists participating in their personal capacity, in addition to representatives of the League of Arab States and its specialized agencies and the specialized agencies of the United Nations system, assisted in identifying the areas of priority for regional technical co-operation, regional complementarity and regional self-reliance.

54. A second meeting was also organized by the Regional Bureau for Arab States, and co-sponsored by ECA and ECWA in Geneva in June 1980, where representatives of member Governments of the region, with the participation of the executing agencies, indicated the official viewpoint of their Governments on regional technical co-operation.

55. On the basis of the recommendations of the above-mentioned meetings, the priorities of the regional programme were identified and consultations

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were initiated with the Governments, the League of Arab States and its specialized agencies, the specialized agencies of the United Nations system and the regional economic commissions. In these consultations, it was pointed out that UNDP technical co-operation could be most effective in the following priority areas in the third cycle: (a) agriculture and food strategy; (b) human resources, manpower and labour; and (c) energy. Other areas of interest included telecommunications and transport and industrial development. Science and technology as well as research would be treated within the projects in those over-all priority areas. In addition to the above, it was also indicated that the following considerations should guide the formulation and the management of the next regional programme:

(a) Encouragement and initiation of co-operative programme for LDCs in the region;

(b) Emphasis on co-operative and integrative aspects both at the regional and subregional levels; and

(c) Attention to the identification and linkage of UNDP activities with those designed to remove specific bottlenecks, gaps and constraints in the development process.

56. Consultations with the Governments were carried out through UNDP resident representatives in the Arab States. On the whole, the governments were in agreement with the priorities indicated by UNDP. There was an expression of a need to encourage linkages between regional and country programmes. Maximum mobilization of Arab financing for the development of the entire region was also stressed. Of interest to LDCs was improved capability for the preparation of investment projects and institution building. On the subject of training, it was noted that the areas of training methodology and training capability building (training of trainers) are fields in which UNDP assistance has an advantage.

57. The regional economic commissions emphasized the need for support of regional institutions. An additional important input in this consultative process were papers submitted by the United Nations Industrial Development Organization (UNIDO) and the United Nations Educational, Scientific and Cultural Organization (UNESCO), as contributions to the UNDP sectoral analysis papers, indicating the development situation in the Arab region. Almost all of the specialized agencies responded to the consultation process by submitting draft proposals for regional projects in their area of competence. The sectoral papers and proposals were studied prior to the agency consultations that took place in early 1981, at the headquarters of the agencies. Separate consultations also took place with the United Nations Centre for Transnational Corporations.

58. A number of principles have been taken into account in selecting the priority goals of the programme. Among these are:

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(a) The regional programme for the third cycle, which will serve the national development plans, priorities and regional development objectives at the interregional and global levels, should reflect global concerns and be in line with the development objectives of UNDP;

(b) The programme will serve promotion of horizontal co-operation among other nations and provide complementary efforts to national and regional efforts and more commitment to development within a regional framework;

(c) The programme should facilitate the extension of some ongoing projects which have sectoral and geographic priorities and which are consistent with over-all regional integration and co-operation objectives.

B. Regional development issues

59. The Arab region has been experiencing generally high rates of economic growth, but it still experiences considerable disparity in the per capita income scale. The intensified investment activities, particularly in the major oil-exporting Arab countries, resulted in considerable intraregional migration. Although a significant proportion of the migrants continues to be non-Arab, labour-exporting Arab countries, some of which were initially labour-surplus countries, began to experience varying degrees of labour shortage, particularly in the skilled and semi-skilled occupational categories. As a result, some of these countries began importing labour, becoming at the same time importers and exporters of manpower. Two factors tended to exacerbate this manpower situation: large numbers of Arabs, many of whom were highly skilled, continued to emigrate out of the region. Large categories of persons in the Arab world remain economically inactive or marginally active, as reflected in high unemployment in some countries, low female participation rates generally and the economic marginality of certain disadvantaged groups. The solution to many of these manpower problems appears to be in a regional approach to manpower planning.

60. The Arab region has also been experiencing high rates of natural increase, reaching in many instances between 3 and 4.5 per cent. These, combined with equally rapid increases in per capita incomes and hence in consumption, have resulted in turn in substantial growth in the demand for consumer goods, including food. The supply of agricultural goods produced in the region, on the other hand, could not keep pace with the increased demand. Among the factors posing barriers in the way of faster growth of agricultural production are the small proportions of regional capital being channelled to agricultural development (capital-rich and land-rich countries are typically not the same), the increasing labour depletion of the countryside in many countries and related structural and institutional factors. In view of all this, food security, which is a widespread demand in most regions of the third world, takes on particular meaning in the Arab region.

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61. As in all developing regions, industrialization is another major development issue. In spite of major progress made recently in this domain, the industrial sectors of most Arab countries still constitute a weak link between agriculture and services, or offer limited support to the rapidly expanding services sector. Very often, industrial development is being hindered by the inadequacy of the physical infrastructure, including transport and communication, which will be accorded priority in the third cycle.

62. Acquiring scientific and technological knowledge is, of course, a basic requirement of modern development. However, not all economic activities utilizing foreign technology have been structured to promote the transfer of this technology to the local work force. Furthermore, it has become clear that technological development cannot take place on the basis of the transfer of technology only, but should derive additionally from adaptation of foreign technology to local conditions and from indigenous technological research and development. It may be noted in this regard that regional (as well as national) efforts towards the transfer, adaptation and development of technology have already begun to take shape, as in the establishment of the Arab Centre for the Transfer and Development of Technology and the Arab Fund for Scientific and Technological Development.

63. An important characteristic of Arab development has been a transitional imbalance between its social and economic aspects. One reason has been that economic growth has proceeded at a relatively fast pace while social growth, particularly in such areas as education and literacy, is a typically slower process. Another reason has been the relatively limited share of regional resources going to purely social investments. As a result, illiteracy rates, while rapidly declining, are still high in certain areas, particularly among women. Furthermore, while over-all housing shortages seem to be diminishing in most countries, this is often not the case with housing for low-income groups.

64. The international trade of Arab countries remains largely interregional rather than intraregional. Expansion of trade among Arab countries has been handicapped by various factors, particularly the limited complementarity in national production structures and financial problems related to availability of credit and methods of payment. It is widely recognized, however, that increased intraregional trade is a principal means for reinforcing regional development, reducing regional disparities and promoting regional integration.

65. Finally, emphasis on the cultural and environmental aspects of development has not been totally adequate. The rich cultural heritage of the Arab world requires larger investments for its preservation and development. Furthermore, rapid urbanization, often concentrated in few primate cities, has resulted in increasingly serious and complicated environmental problems which often transcend national boundaries. Efforts to assess the present environmental situation are indeed underway, but require greater regional support in order to intensify them and increase their coverage.

C. Priority goals of the programme

66. The priority goals of the present programme constitute guidelines for the choice of regional projects. As such, they are not goals to be achieved by the end of the present cycle but focal points towards which major programme efforts will be directed. As priority goals change gradually over time, that is from one cycle to another, they will call for a correspondingly gradual change in programme directions.

1. Achievement of food security in the region

67. This goal entails:

(a) The promotion of increased agricultural productivity through massive investment in the agricultural sector and the elimination of all forms of presently widespread waste;

(b) The promotion of greater intraregional movement of agricultural products through the expansion of marketing networks and the elimination of financial and institutional barriers;

(c) The stemming of the rural flow into the primary cities of the region, through effective rural development schemes, the creation of urban networks and better city planning; and

(d) The preservation and expansion of arable land, through all means, including combating desertification.

2. Development and utilization of Arab human resources

68. Efforts will be directed towards:

(a) The rationalization of intraregional migration and the promotion of regional and bilateral agreements in this regard;

(b) The greater utilization of the skills and technological know-how of Arabs residing outside the Arab region;

(c) The development of the potential Arab work force, including greater participation of women in development, reduction of unemployment and underemployment, and the satisfaction of basic needs for the poor and disadvantaged sections of Arab society;

(d) The support of programmes aimed at the development and implementation of regional manpower planning schemes; and

(e) The promotion of reforms aimed at making the contents of educational and training activities more relevant to regional development needs.

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3. Achievement of greater regional co-operation, integration and complementarity in development

69. A major aim in this regard is to reduce disparities in development levels among countries of the region, through expansion of institutional activities that would promote intraregional transfer of capital, from capital-rich to capital-poor countries. This would include promoting the establishment of Arab financial markets and the formulation and implementation of regional development plans, programmes and activities.

4. Promotion of energy planning and research

70. Oil, which is a depletable resource, constitutes the main source of energy and income in the aggregate Arab economy. At present, the use of conventional energy in industrialization, agriculture and other productive sectors is at a minimum. Preparation of plans for the judicious exploitation of oil and its by-products for industrialization, agricultural development, fisheries, and transport and communications provides considerable scope for regional co-operation. Similarly, the development of research in, and exploitation of, other non-conventional sources of energy, such as solar energy and the extraction of fuel from agricultural and natural resources, would necessitate joint action by the Arab states.

5. Implementation of a regionally formulated and supported industrialization plan

71. A regional approach to industrialization would complement national efforts, but would take into account complementarities and comparative advantage. It would also promote capital transfer as an alternative to the transfer of labour. The construction and maintenance of a network of transport and communication is obviously an essential ingredient of industrial development.

6. Promotion of social, cultural, environmental and health aspects of development

72. The major means of achieving this goal is through activities that would encourage larger shares of Arab capital to invest in social, cultural, environmental and health projects and to integrate such considerations in planned and ongoing development activities. One area of concentration would be the satisfaction of basic needs, for identifiable target groups particularly in areas of education and the elimination of illiteracy, health, food and nutrition, low-cost housing and social security for the purpose of greater integration and participation of these groups in the development process. Another area of concentration would relate to cultural activities aimed at preserving cultural heritage and reinforcing cultural identity. An additional field of concentration would encompass activities aimed at

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reducing the regional social costs of economic growth, promoting a healthy physical environment and generally improving the quality of life in the region.

7. Promotion of scientific and technological skills within the region

73. The emphasis in reaching this goal would be less on the conventional acquisition of ready-made skills and the simple transfer of existing scientific and technological know-how and hardware, and more on the adaptation of this knowledge to regional needs and the development of local capabilities through appropriate scientific training and adequately endowed, independent research facilities. Assessment of recent relevant experience in the region, within this framework, is considered a necessary adjunct. Co-ordination of national efforts and the creation of appropriate scientific environment are also considered part of the means for the achievement of this goal.

III. MODALITIES, INSTRUMENTS AND RESOURCES

A. Modalities and instruments

74. As stated earlier, the third regional programme commenced in January 1982 (transitional year), and approximately \$20.0 million have already been committed against projects which were carried forward from the second cycle and projects that commenced in 1982.

75. Through the use of preparatory assistance (usually of one-year duration), it has been possible to design projects more carefully and realistically. In the majority of cases, preparatory assistance phases were followed by full-scale projects, and notably so in the case of projects which involved a large cost-sharing element. This mechanism of project implementation will continue to be utilized to the degree possible.

76. The use of joint consultative committees, annual co-ordinating and review meetings, which are usually organized at the executing agencies' headquarters, have enabled a continuous dialogue between UNDP, the executing agencies and the governments represented at these meetings, and resulted in appropriate corrective measures. This practice, which was only used by a selected number of agencies, need to be adopted by all executing agencies. In addition, intergovernmental meetings, agencies subregional meetings and sectoral review meetings were useful fora for discussing ongoing projects and new programmes. This practice also needs to be enlarged and made more frequent.

77. The monitoring procedures of UNDP, such as preparation of project progress reports, holding of tripartite review meetings, monitoring visits, evaluation missions and programme reviews, will continue during the third regional programme cycle and will be systematized.

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78. As mentioned in chapter II of this document, among the reasons for delaying the implementation of the second programme were the delay in soliciting the participating Governments' endorsement of project proposals and in securing the co-financing of projects. Existing procedures for project formulation, appraisal and approval will continue, and the active participation of Governments in project formulation will be sought.

79. The resident representatives should assume an active role in monitoring projects. This will involve their visiting projects on a systematic basis and the preparation of monitoring reports twice a year. Likewise, the executing agencies will be required to prepare agency implementation reports on the substantive and technical activities of projects once a year. Projects will also be visited by the Regional Bureau for Arab States' staff, at least once a year and, where possible, the visits should coincide with annual tripartite reviews of individual projects.

80. The participating Governments should take an active role in monitoring projects and will be requested to convey their views on the implementation and benefits derived at least once a year, through the resident representatives and, where a machinery exists, through the annual joint consultative project reviews at agency headquarters or at subregional meetings organized by United Nations agencies.

81. The total programme will also be reviewed once every 18 months either at UNDP headquarters or in the region; and the participation of intergovernmental bodies and United Nations agencies will be secured.

82. Wherever possible, indigenous institutions will be utilized in the formulation and evaluation of projects. Similarly, indigenous expertise from the region will be utilized as appropriate. Also, where feasible, United Nations Volunteers will be deployed in place of experts in those areas which require middle level expertise.

83. In designing projects, emphasis will be made on clarity of project elements and the quality of assistance rendered. The short format for designing project documents which is now being experimented within a few countries will be globally introduced in 1984.

B. Programme resources

84. The illustrative IPFs for country and intercountry programmes for the period 1982-1986 were approved by the UNDP Governing Council in its decisions 80/9 and 81/16. The programming level was, however, set by the Administrator at 80 per cent of the illustrative IPFs.

85. The approved regional illustrative IPF for the Arab States amounted to \$57.8 million for 1982-1986. The programmable level was set at 80 per cent of the illustrative IPF or \$46,240,000 with a carry-over of \$11,320,000

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from the second cycle (1977-1981), the total programmable resources thus amounted to \$57,560,000, or nearly 100 per cent of the illustrative IPF.

86. However, due to a further decline in resource mobilization, the Administrator of UNDP directed that the programme level be lowered from 80 per cent to 55 per cent or \$31,790,000 as of 31 December 1982. The carry-over from the second cycle brings the present total resources for programming to \$43,113,000. Of this amount, \$11,150,000 has been committed against 1982, leaving a balance of \$31,963,000 for 1983-1986. Against this balance, the approved assistance amounts to \$11,712,000 for 1983-1986. Thus, \$20,251,000 remains uncommitted. These figures are provisional as they represent approvals up to 31 December 1982 and could be modified by the time the regional programme is presented to the UNDP Governing Council in June 1983. The current projections indicate that around \$9.0 million would be required for extensions of ongoing activities.

87. As a result of the reduction in the level of programming to 55 per cent, new annual ceilings have been established which, at present, cannot be exceeded. Any unspent balance of the 1982 ceiling, due to under-delivery of approved project budgets in 1982, would be added to the ceiling(s) of 1984-1986.

88. The current annual ceilings in US dollars are:

<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>Total 1982-1986</u>
9 500 000	9 060 000	7 808 000	7 100 000	9 645 000	43 113 000

89. The present resources situation necessitates the mobilization of additional resources, through the cost sharing of participating Governments and third party cost sharing (which played a useful role in augmenting the resources of UNDP), if a wider range of priorities are to be addressed from among the priorities identified by the Arab States. This also calls for prudent management of the available resources and the concentration on tangible quality projects, which would serve a larger number of countries in the region and promote further co-operation and integration.

Notes

1/ See General Assembly resolution 34/206 of 19 December 1979 and Governing Council decision 80/9, as contained in the Official Records of the Economic and Social Council, 1980, Supplement No. 12 (E/1980/42/Rev.1).

